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ABSTRACT

This is one of several papers presented at a Federal Trade Commission Symposium on Media Concentration. It describes the state of book publishing today and comments on antimerger statements made by the Authors Guild of America. Statistics are cited to show that the number of active book publishers serving national and international markets is greater than ever before in our history, books have never been in more plentiful supply and have never reflected greater diversity of subject matter or treatments, and authors have never been more numerous or better rewarded. Figures are analyzed to show that the 50 largest publishing firms hold only 75% of the market and are highly competitive compared to other industries, where a few companies may dominate the market. It is also noted that book publishing mergers have not reduced the number of competitive companies in the industry, and it is argued, contrary to the fear of the Authors Guild, that large companies can actually take greater risks with unknown authors than can small firms. Subsidiary rights to book club publications of a title are defended as an economic necessity. (KKM)

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Statement by Townsend Hoopes, President
Association of American Publishers
Before the Federal Trade Commission Seminar on
"Concentration in the Media," December 15, 1978
Washington, D. C.

Reasonable men may differ about the relative advantages and disadvantages -- judged against social or cultural or commercial considerations -- of a particular form of ownership or a particular size of company in book publishing. But we start with the fact that book publishing is an amazingly diverse, flexible and open industry. The Association of American Publishers has about 300 members, who account for about 85 per cent of all books published in the United States. They range from very small single entrepreneur operations and family-owned companies to larger closed corporations, sizeable publicly traded companies and very large communications conglomerates. As to size and organization, there is no single ideal in book publishing.

The range of book categories is equally rich in diversity. Book publishing is a good deal more than adult fiction, which appears to be the focus of the present controversy. It embraces nonfiction trade books; school and college textbooks; technical, scientific, medical, legal and other professional books;

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encyclopaedias and other reference works; religious books; children's books; mail order and book club operations; and mass paperback books.

I intend neither to defend nor apologize for mergers in book publishing, but, rather, as president of the industry trade association, to provide objective and factual information about the state of book publishing today. It will be appropriate, however, to comment on some of the extreme positions taken by such groups as the Authors Guild of America, for they are trying to show that the nation is on the brink of a social or cultural catastrophe owing to merger activity and alleged over-concentration in book publishing. Such a view presents a distorted picture of reality. The statistics used in this statement are supported by eight tables and graphs appended hereto. Based on a variety of sources, including the authoritative reference document, Literary Market Place, and the U.S. Census of Manufactures, these particular tables and graphs are taken from the July 31, 1978 issue of Publishers Weekly.

The charges concerning concentration in book publishing have been characterized by a general disregard of the central, self-evident fact that the industry today is performing its distinctive role under the First Amendment with vigor and success. The number of active book publishers serving national and international markets is greater than ever before in our history. Good books have never been in more plentiful supply and have never reflected greater diversity of subject matter or treatment. Authors have never been more numerous or better rewarded. It is this central reality that should be borne in mind when suggestions are made that

this vigorous exercise of First Amendment rights and obligations by an integral element of the Fourth Estate could be improved upon by government intervention or regulation.

The most fundamental measure of this health and vigor is the number of active firms in the industry. In book publishing there has been uninterrupted growth for at least 45 years. The number of establishments has grown from a low point of 410 during the Depression in 1933 to approximately 1200 in 1972, and an estimated 1352 in 1978.* This is a 300 per cent increase in 45 years. Over the past twenty years the growth has been more than 30 per cent, and it continues at a steady rate of about 2.35 per cent per year, net after failures and mergers. This impressive expansion in the number of publishing establishments continues because industry conditions, including an abundance of publishable manuscripts, skilled editorial assistance, and available printing facilities enable small and medium-sized publishers to compete effectively in the national market. With respect to book distribution, small publishers can use independent commission men, or market their books through a larger publisher, or use direct mail, or avail themselves of both the neighborhood bookstore and the retail chain. All of these channels are now used, frequently in combination. The openness of the market is reflected in the steady establishment of new publishing houses: 173 companies that did not exist before 1971 published 4,250 new titles in 1976 -- representing

*Some other sources indicate much higher numbers. Books In Print, for example, lists 6900 book publishers in 1978.

10 per cent of the total national output. A high percentage of these new houses publish adult hardcover trade books. They are undoubtedly providing previously unavailable opportunities for several hundreds or thousands of authors to be published.

A second basic measure of health in book publishing is the steady growth in the number of new titles published each year. This rose from 15,000 in 1960 to 36,000 in 1970 to 40,000 in 1974. There was a slight turn downward in 1975, but an upturn in 1976. The total in 1978 was over 42,000. The total number of titles in print has also steadily risen -- from 140,000 in 1960 to 496,000 in 1978.

Another basic measure of industry competitiveness are the so-called "concentration ratios" computed by the U.S. Bureau of Census from data collected in its five-year Census of Manufactures. These are the best available data. Regrettably, figures for 1972-77 have not yet been published. Essentially, the concentration ratio is the percentage of total sales (value of shipments) represented by a specified group of the largest companies in the industry. Percentages are usually given for four groups of firms -- the four largest, the eight largest (including the first four), the twenty largest and the fifty largest (each including the prior firms).

It is illuminating to examine the trend of these ratios in book publishing over the past twenty years or so. For book publishing as a whole, the four largest firms lost 2 per cent of their market share during the eighteen-year period between 1954 and 1972, while the eight largest companies lost 1 per cent. The twenty

largest companies gained 5 per cent (from 47 to 52 per cent), while the 50 largest companies gained 10 per cent (from 65 to 75 per cent). What these figures clearly show is that the smallest 30 companies in the 50-company group grew most in market share during this general expansionary period. And they took market share away from the largest companies. In an industry situation where the twenty largest companies represent only half the market, leaving another quarter to be shared among 30 additional companies and where a total of more than 1200 companies are actively engaged in publishing books, one cannot make a valid charge of undue concentration.

Comparative market share percentages in other industries show that the 50 largest firms frequently absorb the entire market. Figures in the 80 to 90 per cent range are not uncommon for the top 20 to 50 companies of given industries. The oil industry is dominated by 7 giants and the automobile industry by 2 or perhaps 2.5 companies. Against these, the 50 top companies in book publishing hold 75 per cent of the market; moreover, they are highly competitive.

In hardcover trade publishing, which has been a focus of the Authors Guild complaints, the situation is comparable. (Hardcover trade publishing constitutes about 18 per cent of total book publishing sales -- $800 million of $4.6 billion.) The four largest hardcover trade publishers lost 10 per cent of market share (from 39 to 29 per cent) over the fourteen-year period ending in 1972; the eight largest companies lost 6 per cent of market share (from 53 to 47 per cent) during

the same period. Conversely, the 20 largest companies and the 50 largest companies each increased market shares by 2 per cent (from 72 to 74 per cent, and from 90 to 92 per cent). These figures show that the significant loss of market share in the top four and the top eight firms was picked up by other firms in the top 50 -- which is to say, the medium-sized firms.

These developments reflect a state of vigorous competition among a large number of hardcover trade publishers, and a situation where the medium-sized companies have gained relatively at the expense of the large. Certainly it does not reflect a trend toward a monopoly situation or any restraint of trade.

Acquisition and merger rates in book publishing have been historically two or three times higher than those for industry as a whole, a condition that arises from two central facts: a large number of new book publishing companies are started each year, and they are of very modest size, on the average.

About 100 such enterprises are started each year; two-thirds of them go out of business over the lifespan of the founder -- meaning about 20-30 years. This combination of large numbers of units and small average size creates, in many cases, strong economic reasons to consider mergers within the lifetime of the founder. A large number of new publishing enterprises simply go out of business after one generation, but most of those that survive enter into mergers or acquisitions along the way. They do so mainly because of capital requirements. Growth and success create demands for more capital to support authors' advances, inventory and accounts receivable. Most small companies cannot by themselves raise the capital needed to sustain growth or to assure survival in lean years. Merger, while not a solution in all cases, is an attractive option in many.

It should not be surprising, then, that annual mergers in book publishing have exceeded the general industrial norm. For example, in 1965 there were 23 mergers in book publishing, representing 2.4 per cent of all book publishing companies then extant. The figure for industry as a whole was .5 per cent. In recent times, publishing mergers have ranged from a high of 47 in 1968 to a low of 6 in the recession year of 1973. The average for the fourteen-year period from 1963 through 1977 was 22 per year. This merger activity has not reduced the number of competitive companies in the industry.

The merger movement came later to book publishing than to most industries. At the end of World War II, only two publishers of size and reputation (McGraw-Hill and Prentice-Hall) were public companies. The other leaders were all family-owned. Only with the development of broader communications companies with publicly traded stocks were conditions created for the acquisition or merger of publishing houses. Mergers reached historic peaks in the late 1960s. In addition to the greater number of publicly traded communications companies, the underlying conditions for this were the decade-long economic expansion which produced good earnings growth and the confidence that economic expansion would continue, and a sustained upsurge in stock prices which made acquisition relatively easy. A significant factor for the acquisition of book publishing companies was the prospect of massive federal funding for education.

Book publishing mergers have not reduced the number of competitive companies in the industry; on the contrary (as indicated earlier), these have grown at a steady rate. Concentration, per se, has been a modest development. Basically,

the net result of mergers has been financially stronger and better managed publishing houses. Greater financial strength has been a vital factor in attracting and holding authors, who are demanding -- and getting -- substantially higher advances.

Book publishing is not of course growing by mergers alone. The total situation is complex and fluid, and interesting developments -- such as the increasing tendency of mass paperback houses to publish original manuscripts -- are moving in several different directions. The several broadside attacks by the Authors Guild over the past fifteen months (June 7, 1977 and May 12, 1978) have tried, however, to convey the impression that all this healthy gestation and proliferation is a thing of the past. With emphasis on the past tense, the Guild asserts that "American book publishing was an industry composed of numerous independent firms. But mergers and takeovers have weakened this structure and threaten its very existence." Against the basic facts I have cited, such a statement is nonsense: book publishing is today composed of numerous independent firms and they are highly competitive. Even where a hardcover trade publisher is owned by a company engaged in some other form of publishing or communications, the competition is vigorous and the opportunity for authors is unimpaired.

The Authors Guild appears to place an unreal emphasis on "independent separately owned companies." The Guild seems to be saying that such companies will choose higher quality manuscripts and offer greater opportunities for authors because they are somehow not bound by the same economic considerations that

are said to dominate larger, diversified or multi-media publishers. But such assertions defy the laws of logic and economics. Every company, large or small, must generate revenues to meet payroll, rent, and author advances, as well as production, distribution and promotion costs. Small companies must carry on these essential functions with fewer resources than larger ones, and are thus subject to greater pressure to publish profitable books. For a small publisher, a first novel must succeed because he badly needs the income. Larger companies can afford to take greater risks and to accept losses with greater equanimity.

Justice Potter Stewart has reaffirmed the truth that publishing is "the only organized private business that is given explicit constitutional protection," and that the primary purpose of such protection is to "create a fourth institution outside the government as an additional check on the three official branches." These constitutional guarantees are absolutely fundamental to free expression and hence to democratic society, but they are not sufficient, alone, to keep the Fourth Estate healthy. Health also requires economic viability and strength. For without economic strength to act independently, book publishers could not meet their First Amendment obligation to maintain the diverse marketplace of ideas that serves as a check upon the opposite tendencies of government. This is not to argue that merger is essential to economic health in every case, but rather that merger should not be regarded as an unnatural or indecent means of achieving what may be essential.

One of the driving economic forces in book publishing, as in other industries, is the rising cost of materials and labor. But the unique additional factor in hardcover trade publishing is the swift escalation of author advances, especially

for well known authors who produce the books that have always led and carried the other books in every trade publisher's list. These general and specific factors have moved publishing houses of every size to consider merger either for economic survival or to improve their capital base so they could operate more securely. It is not realistic to believe that the business of book publishing can make itself exempt from these general economic pressures, even though it is admittedly "not just another business."

Yet the Authors Guild seems to be making the curious argument that the ideal condition for book publishing would be a perpetuation of cottage industry; that is, a large number of very small or modest family-owned publishing houses with limited financial means. While this is still an accurate description of the majority of book publishing establishments and is likely to remain so, the cottage industry ideal, like the related Jeffersonian dream of American pastoralism, runs counter to most of the lines of force that have influenced economic growth in this country for at least 100 years.

Success in book publishing today depends on sufficient economic strength to provide working capital for authors' advances, advertising, promotion, production and distribution. Publishers who cannot provide these cannot be attractive to either established or promising authors. By arguing for the preservation of relatively weak publishing houses, the Authors Guild ironically argues against the interests of its own constituency. It is a curious fact that most of the reputable authors who support the Authors Guild position are published by large, financially strong companies.

Another line of argument in the Authors Guild position seeks, quite erroneously, to pin on "vertically integrated and conglomerate-owned publishers" a point of view common to all publishers. This relates to the use and control of subsidiary rights -- that is, the use of the hardcover book in other publishing markets, mainly mass paperback and book club. It is true that publishers usually insist, in contracts with authors, on controlling the strategy and negotiations with respect to subsidiary rights. But behind this insistence is not the devil of conglomerate ownership, but a compelling economic fact that confronts every publisher, large or small. On this issue even Mr. Roger Straus stands with his conglomerate colleagues. In a recent interview with the New York Times, he was quoted as saying that his company "would be destitute without subsidiary rights income." The economic fact is simplicity itself: participation by a hardcover trade publisher in subsidiary rights income is fundamental to his ability to publish the original book. Without significant income from these sources, most hardcover trade publishers would literally go out of business. Such a development would inexorably reduce the number of publishing establishments and thus the outlets for potential authors -- a condition the Authors Guild presumably wishes to avoid. The Guild is here making a false and misleading argument.

Equally misleading is the Authors Guild contention that authors are short-changed when they deal with a publishing house that owns both hardcover and mass paperback operations. In such cases, it is argued, the author must accept a lower price for his paperback rights than a competitive market would

pay. The truth is that the market determines the paperback rights price, for any publisher who was seen to penalize his author's potential earnings by "inside dealing" would be promptly suspect not only by the particular author, but by all authors, especially the most valuable ones. No publisher can afford such a consequence.

Moreover, independent hardcover houses (without mass paperback affiliates) are unlikely to encounter serious difficulty in selling their popular books to mass paperback houses owned by other hardcover houses, for no paperback operation can hope to obtain more than a small percentage of its requirements from its own hardcover owner or affiliate.

From the standpoint of social utility, book publishing ought to be judged by the extent to which it has enhanced the national culture or at least the national knowledge. A basic measurement of this social contribution is numbers of new titles and also the number of titles produced per potential reader or potential author. I have earlier noted the strong growth trend in new titles. The measure of titles published per potential author is interesting in view of the Guild's contention that opportunities for authors to be published are now being diminished. Kendrick Noble argues in Publishers Weekly (July 31, 1978) that the ratio of new titles published per potential author (defined as everyone in the population between 5 and 65) reached its peak in 1974, and has not appreciably diminished since. He concludes that the current opportunities for citizens to be published in book form have never been surpassed, and indeed have improved in recent years.

As to the difficult problem of judging the quality of today's books versus the quality of yesteryear, it is possible the critics are suffering from a false sense that things were much better in the past. While the matter is debatable and not subject to precise measurement, it may be useful to quote Alexis de Tocqueville on American reading tastes in the mid-nineteenth century: "They prefer books," he wrote, "which may be easily procured, quickly read, and which require no learned researches to be understood. The ever-increasing crowd of readers, and their continued craving for something new, ensure the sale of books that nobody much esteems."

Let me conclude by citing some words of Eliot Fremont-Smith, the book critic of The Village Voice, and a man not known for his deference to book publishers. He was here (May 8, 1978) commenting on the Authors Guild statements and the AAP rejoinder of March 9, 1978.

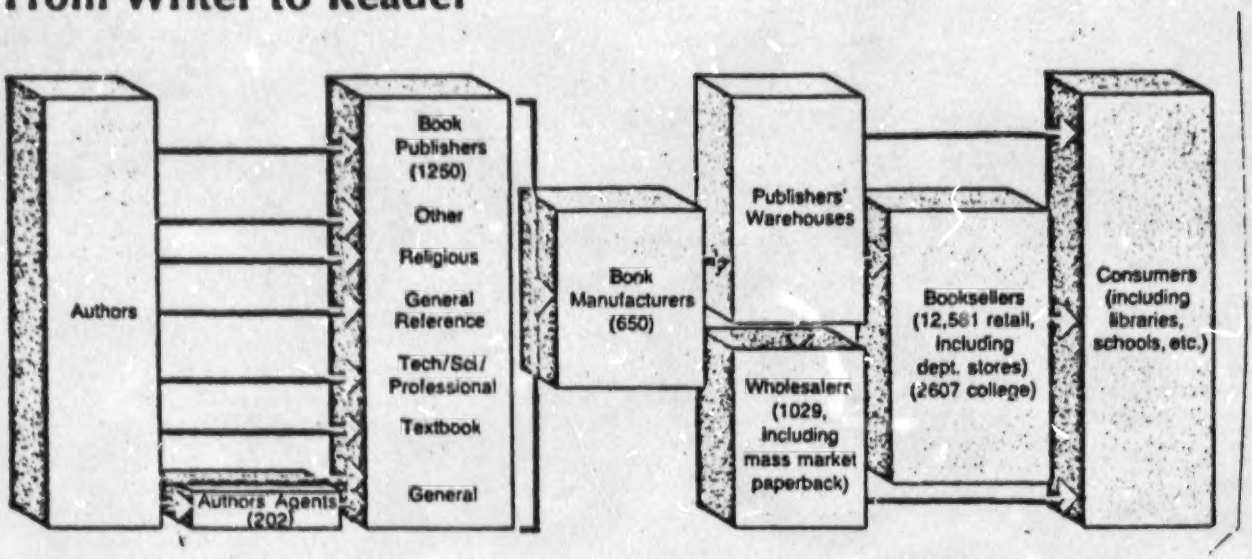
"Which is right -- the Authors Guild or the AAP? It goes against the usual grain, but I would have to say, in most respects, the AAP. The congolmerations and consolidations have not, so far, visibly reduced competition in the industry, or restricted the marketplace for authors, or put the squeeze on intellectual freedom. That the 50 largest publishers dominate 75 per cent of the market is no great change from yesterday -- and 50 is not a monopoly. Nor have the hardcover-paperback combines . . . worked to restrict trade. In practice, both hardcover and paperback divisions generally make their own deals quite as if they were not corporately connected."

"Good books are, without question, in more plentiful supply than ever before."

Fremont-Smith also argued that a weakness of the Authors Guild case has been the tendency to focus solely on mergers of publishing houses and to ignore the "much larger rationalization of the entire industry, particularly in marketing and distribution" -- meaning the advent of large bookstore chains which have had, in his view, a far greater effect on the character of book publishing today than mergers of publishing companies.

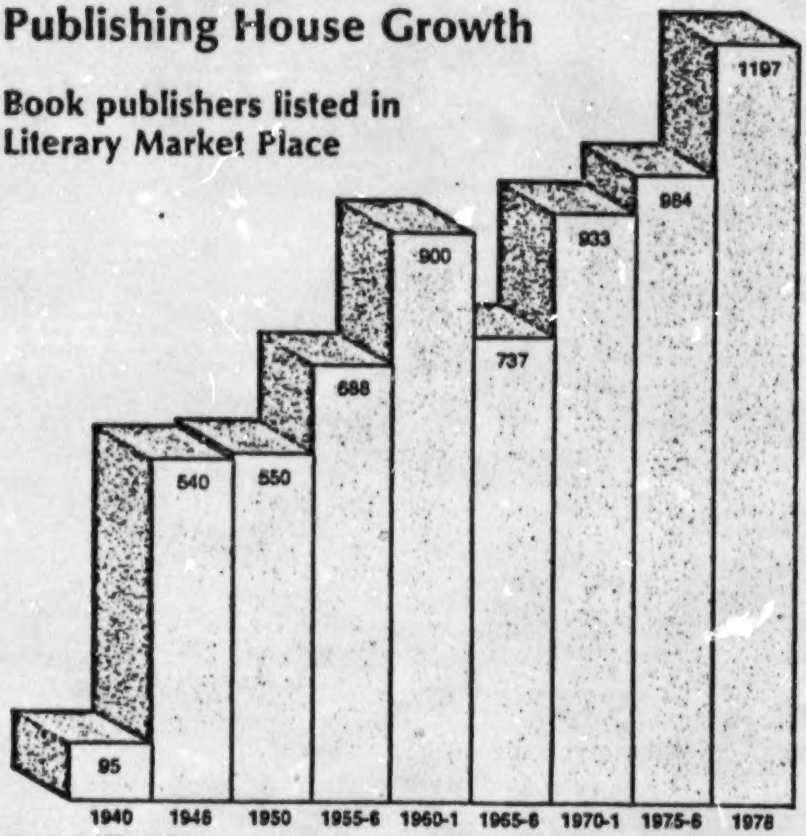
In conclusion, he wrote: "In most ways . . . the trade book industry has never been healthier or more competitive or, in product, more fertile; and published voices have never been so many or in more diversity, or more rewarded."

Flow Chart
From Writer to Reader



Publishing House Growth

Book publishers listed in Literary Market Place



NOTE: Until 1972, LMP listings included publishers that issued five or more titles a year; after 1972, the criterion for inclusion became three new titles per year.

TABLE 1 Number of Book Publishing Establishments and Companies

Year	Establishments	Companies
1933	410	
1935	505	
1937	530	
1939	706	
1947	648	635
1954	814	804
1958	903	883
1963	993	936
1967	1024	963
1972	1205	1120
1978 (est.)	1352	1239

SOURCE: U.S. Census of Manufactures; Paine Webber Mitchell Hutchins calculations.

TABLE 4 New Titles, New Editions Produced and Their Relationship to Population

Year	New Titles	New Editions	Total	Population (Ages 5-64) (000)	Ratios: Total New Titles & Editions/Capita (per 1000)
1934	6,788	1,410	8,198	108,461	0.062
1935	6,914	1,852	8,766	109,276	0.063
1936	8,584	1,852	10,436	109,982	0.078
1937	9,273	1,639	10,912	110,558	0.084
1938	9,464	1,603	11,067	111,141	0.085
1939	9,015	1,625	10,640	111,698	0.081
1940	9,515	1,813	11,328	112,512	0.085
1941	9,337	1,775	11,112	113,264	0.082
1942	7,786	1,739	9,525	113,975	0.068
1943	6,764	1,561	8,325	114,856	0.059
1944	5,807	1,163	6,970	115,726	0.050
1945	5,386	1,162	6,548	116,455	0.046
1946	6,170	1,565	7,735	117,317	0.053
1947	7,243	1,939	9,182	118,535	0.061
1948	7,807	2,090	9,897	120,174	0.065
1949	8,460	2,432	10,892	121,660	0.070
1950	8,634	2,388	11,022	122,991	0.070
1951	8,765	2,490	11,255	124,267	0.071
1952	9,399	2,441	11,840	126,557	0.074
1953	9,724	2,326	12,050	128,435	0.076
1954	9,690	2,211	11,901	130,389	0.074
1955	10,226	2,363	12,589	132,319	0.077
1956	10,007	2,531	12,538	134,424	0.074
1957	10,561	2,581	13,142	135,542	0.077
1958	11,012	2,450	13,462	138,602	0.080
1959*	12,017	2,859	14,876	140,805*	0.085†
1960	12,069	2,943	15,012	143,655	0.084
1961	14,238	3,822	18,060	146,080	0.098
1962	16,448	5,456	21,904	148,612	0.111
1963	19,057	6,727	25,784	151,122	0.126
1964	20,542	7,909	28,451	153,597	0.134
1965	20,234	8,361	28,595	156,028	0.130
1966	21,819	8,231	30,050	158,597	0.138
1967	21,877	6,885	28,762	161,078	0.136
1968	23,321	7,066	30,387	163,428	0.143
1969	21,787	7,792	29,579	165,621	0.132
1970	24,288	11,783	36,071	167,548	0.145
1971	25,526	12,166	37,692	170,042‡	0.150
1972	26,868	11,185	38,053	171,808‡	0.156
1973	28,140	11,811	39,951	173,271‡	0.162
1974	30,575	10,271	40,846 (a)	174,825‡	0.175
1975	30,004	9,368	36,071	176,375‡	0.170
1976	26,983	8,158	41,698	178,395§	0.151
977	27,413	8,056	42,780	180,180§	0.152

SOURCES: Publishers Weekly; Bureau of the Census, Paine Webber Mitchell Hutchins calculations and estimates.
*With Alaska and Hawaii, 141,407. †With Alaska and Hawaii 0.085. ‡Preliminary. §Estimates.

(a) revised by Bowker since July 31, 1978

Total Book Titles in Print*

1960	140,000
1965	185,000
1970	305,000
1971	330,000
1972	345,000
1973	398,000
1974	418,000
1975	429,000
1976	450,000
1977	478,000
1978	496,288

TABLE 2 . Concentration Ratios for Book Publishing

Industry Segment	Census Year	Number of Companies*	Value of Shipments ($M)*	% of Value of Shipments Accounted for by: 4 Largest Companies	8 Largest Companies	20 Largest Companies	50 Largest Companies
All Book Publishing	1972	1,120	2,915.4	16	27	52	75
	1967	963	2,255.3	15	27	52	75
	1963	936	1,547.8	18	29	52	73
	1958	883	1,010.7	16	26	45	65
	1954	804	665.4	18	28	47	NA
Religious Publishing	1972	NA	131.2	36	51	76	97
	1967	NA	110.4	27	46	74	95
	1963	NA	81.1	22	37	65	89
	1958	NA	58.6	30	45	70	90
General Reference Publishing	1972	NA	235.2	71	82	94	99+
	1967	NA	216.3	81	91	NA	100
	1963	NA	207.3	87	96	100	NA
	1958	NA	163.6	NA	NA	NA	NA
Technical, Scientific and Professional Publishing	1972	NA	403.0	39	57	76	92
	1967	NA	240.2	36	54	74	91
	1963	NA	156.3	32	49	68	87
	1958	NA	116.0	27	43	71	91
Textbook Publishing	1972	NA	809.6	33	54	80	95
	1967	NA	733.6	29	50	79	94
	1963	NA	471.1	32	54	81	94
	1958	NA	281.7	33	50	76	93
General Publishing	1972	NA	1,006.7	29	47	74	92
	1967	NA	657.7	28	46	70	91
	1963	NA	458.2	30	46	59	89
	1958	NA	274.7	39	53	72	90

*The number of companies shown here includes those firms classified by the Census Bureau within the particular industry because their predominant product was books; however, other organizations also publish books. The value of shipments shown here is the total value for all books published by all organizations; this includes the book products of the companies included in the particular industry, but also the book products of organizations not classified as book publishers.

NA = Not available.

TABLE 7 Concentration Ratios for Selected Industries

Industry	Census Year	Number of Companies*	Value of Shipments ($M)*	% Value of Shipments Accounted for by: 4 Largest Companies	8 Largest Companies	20 Largest Companies	50 Largest Companies
Book Publishing	1972	1,120	2,915.4	16	27	52	75
	1967	963	2,255.3	16	27	52	75
	1963	936	1,547.8	18	29	52	73
	1958	883	1,010.7	16	26	45	65
	1954	804	665.4	18	28	47	NA
Book Printing	1972	674	1,050.0	19	27	44	57
	1967	720	900.3	15	23	38	53
	1963	862	807.0	14	23	37	51
	1958	785	422.9	15	22	34	48
	1954	592	304.9	15	24	37	NA
Book Retailing	1972	6,640	907.0	11	15	20	24
	1967	2,425	427.6	7	10	17	21
	1963	2,869	279.5	7	9	16	21
	1958	2,885	196.3	10	13	16	19
Paper Mills	1972	194	6,183.7	25	40	65	86
	1967	203	4,739.5	26	41	64	85
	1963	186	3,724.0	26	40	61	82
	1958	NA	3,044.6	25	39	58	78
Periodical Publishing	1972	2,451	3,187.0	22	33	50	65
	1967	2,430	2,668.2	23	36	53	68
	1963	2,562	2,035.5	26	39	56	69
	1958	2,245	1,578.4	31	40	54	67
Commercial Printing Lithographic Magazines	1972	NA	631.6	22	32	50	68
	1967	NA	296.1	15	25	46	65
	1963	NA	138.5	18	25	41	62
	1958	NA	66.2	NA	NA	NA	NA
Commercial Printing Lithographic Adv. Material	1972	NA	1,554.1	6	10	16	26
	1967	NA	967.6	6	9	16	28
	1963	NA	721.6	6	9	16	26
	1958	NA	577.3	6	9	16	27
Phonograph Records Tapes	1972	537	537.1	47	60	75	85
	1967	306	271.0	58	67	80	91
	1963	128	178.7	68	74	83	93
	1958	85	136.2	74	81	88	97
Printing Machinery	1972	523	736.6	36	44	59	76
	1967	485	656.0	43	52	67	82
	1963	463	403.2	39	47	62	79
	1958	421	270.7	37	48	63	79

*The number of companies shown here includes firms classified by the Census Bureau within the particular industry because their predominant product was books; however, other organizations also publish books. The value of shipments shown here is the total value for all books published by all organizations; this includes the book products of the companies included in the particular industry, but also the book products of organizations not classified as book publishers.

NA = Not available.

TABLE 3 Mergers and Estimated Merger Rates—1963-1977

Year	Mining and Manufacturing Mergers	Companies (000)	Rates (%)	All Mergers	Book Publishing Industry Mergers	Companies	Rates (%)
1963	861	196.7	0.438	1361	10	936	1.068
1964	854	199.5	0.428	1950	8	943*	0.848
1965	1008	199.2	0.506	2125	23	949*	2.424
1966	995	202.4	0.492	2377	25	956*	2.615
1967	1496	211.4	0.708	2975	29	963	3.011
1968	2407	204.7	1.176	4462	47	993*	4.733
1969	2307	216.1	1.068	6107	44	1023*	4.301
1970	1351	212.3	0.636	5152	13	1054*	1.233
1971	1011	213.6	0.473	4608	11	1087*	1.012
1972	911	217.4	0.419	4801	9	1120	0.804
1973	874	222.1	0.394	4040	6	1139*	0.527
1974	602	227.3	0.265	2861	24	1158*	2.073
1975	439			2257	16	1178*	1.358
1976	559P			2276	17	1198*	1.419
1977				2224	28	1239*	2.260

SOURCES: Federal Trade Commission; Internal Revenue Service; W. T. Grimm & Co.; Publishers Weekly; U.S. Census of Manufactures; Paine Webber Mitchell Hutchins calculations and estimates.

*Estimates.

P = Preliminary.